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18 July 1960

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## CENTRAL

# INTELLIGENCE

## BULLETIN



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#### CENTRAL INTELLIGENCE BULLETIN

18 July 1960

#### DAILY BRIEF

#### I. THE COMMUNIST BLOC

USSR: Soviet accounts of the party central committee plenum on industry and transport indicate progress in modernizing Soviet industry and continued good results in fulfilling plan goals, but admit that serious problems still exist in introducing new technology and improving quality. The TASS summary of the plenum resolution contrasts sharply with the June 1959 plenum resolution which set up a comprehensive program for promoting industrial modernization and outlined numerous specific tasks to be completed by government and party organizations by the end of last year. However, the plenum just ended made scant reference to these tasks, suggesting unsatisfactory performance on the part of the organizations held responsible for their completion. The plenum also formalized the release of the new Soviet President, Leonid Brezhnev, from the central committee secretariat and accepted the resignation of aged former President Voroshilov from the party presidium.

#### II. ASIA-AFRICA

Indonesia: President Sukarno may soon replace Army Chief of Staff Nasution by Lieutenant General Gatot Subroto, the army's next-ranking officer. Nasution would retain his defense and security post in the cabinet. Although he lacks Nasution's political acumen, Gatot Subroto is firmly anti-Communist. Sukarno-might regard such an appointment as temporary while he maneuvers to reduce further the power of Nasution and strongly anti-Communist officers in the army command.

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Congo: Tension remains high in Leopoldville, where the continuing danger of a major incident between Belgian troops or civilians and Congolese elements has been complicated by signs of resentment on the part of local Belgians toward the initial contingents of the UN force. At the same time, Belgium's continuing reinforcement and tactical deployment of its forces and its apparent determination to butress the separatist regime in Katanga Province are further widening the breach between Brussels and the Lumumba government. Lumumba may, as a result, soon direct a more specific second appeal to the USSR for aid against Belgian "agression."

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At the UN Security Council meeting which has been set, on Soviet initiative, for 19 July, Moscow can be expected to press strongly for the speedy and complete evacuation of Belgian forces from the Congo-- a position which will almost certainly win wide support among the independent African states.

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Italy: Negotiations for the formation of a new Italian government are the result of growing clamor for replacement of Tambroni's neo-Fascist - supported regime before the fall local elections. The small center parties--apprehensive over the polarization of Italian politics--have been anxious to compose their differences in order to support a new all - Christian Democratic minority cabinet which could serve as a transition to a more representative government. Socialist leader Pietro Nenni said he would not vote against it. To avoid isolation, the Communists, in whose interest it would be to retain the present regime, have been careful to say they would support any government dedicated to the principles of the constitution. Tambroni himself had previously suggested that his government was indispensable as the defender of Italy against the Communists.

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Haiti: The arrest on 15 July of Clement Barbot, secret police chief and presidential secretary, was an attempt to suppress what may be a widespread conspiracy against the corrupt Duvalier administration. Only a few hours before his arrest, Barbot, told the American ambassador that he had discussed the political situation with army leaders and they agree with his view that President Duvalier's policies are plunging Haiti toward a new period of political chaos and "the situation cannot continue much longer." They are also disturbed at the growing influence of pro-Communist presidential aides.

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DAILY BRIEF

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#### Soviet Central Committee Plenum

Soviet accounts of the central committee plenum on industry and transportation which ended on 15 July indicate that, despite progress toward industrial modernization and continued good results in fulfilling plan goals, serious problems still exist which have resulted in failures to make use of new gains in science and technology, cut production costs, and improve the quality of goods produced. The TASS summary of the final resolution failed to indicate what measures may be undertaken to overcome deficiencies.

This is in marked contrast to last year's industrial plenum, which launched an ambitious modernization program and assigned specific tasks to governmental and party agencies in an attempt to facilitate the introduction of new technology. Completion dates have already passed for all the tasks for which there were specific time limits, but there have been only slight indications of progress in the Soviet press. Possible remedial action by the regime might include personnel shifts or organizational changes.

Progress in improving technology is especially important if the ambitious gains in industrial productivity envisaged during the Seven-Year Plan period (1959-65) are to be achieved. Despite criticisms of failures in technological advances, Soviet industry continues to show good progress. The economic report for the first six months of this year indicates slightly higher gains in industrial labor productivity and the gross value of industrial production than are called for annually by the Seven-Year Plan.

The plenum routinely released Leonid Brezhnev from the central party secretariat and accepted the resignation of Kliment Voroshilov from the party presidium. Brezhnev gave up his secretarial responsibilities last May, when the Supreme Soviet elected him president of the USSR to succeed the aged Voroshilov.

#### Situation in the Congo

Tension remains high in the Congo, especially in Leopoldville and other important urban centers where there is a continuing danger of major incidents between Belgian troops or civilians and Congolese elements. The situation is further complicated by signs of resentment on the part of some Belgians, especially military personnel, toward the initial UN contingents which so far have come only from African states.

Belgium's continuing reinforcement and tactical deployment of its military forces, despite the relatively rapid build-up of the UN force and Congolese Premier Lumumba's demand that Belgian troops be withdrawn entirely from the Congo, has widened the breach between Brussels and the Lumumba government. Brussels' position—which seems to be hardening in response to rightist pressures in Belgium—is that its troops will not be withdrawn until the UN forces are clearly in control of the situation and then only to the Belgian bases at Kamina and Kitona.

The Belgians' apparent determination to buttress the separatist regime in Katanga Province while withholding, at least for the present, formal recognition also stands in the way of any possible reconciliation with Lumumba. In a communique issued on 16 July, Brussels took official "note" of Katanga Premier Tshombe's independence proclamation and pledged Belgium's "cooperation" with Katanga. Subsequently, a special Belgian emissary arrived in Elisabethville to facilitate direct contact between Tshombe and the Belgian government, which is probably also working to align other provinces with Tshombe and against Lumumba. Tshombe claimed on 16 July that leaders in neighboring Kivu and Kasai provinces and in the Belgian trust territory of Ruanda-Urundi want to federate with Katanga.

Lumumba, who flew to his personal political stronghold in Stanleyville on 16 July amid speculation he might be about to switch Congo's capital to that city, may react with a second, more specific appeal for Soviet aid against Belgian "aggression." The reported resignations on 17 July of four moderate members of his government--including Foreign Minister Bomboko and Economic Affairs Minister Yava--would increase the likelihood of such an appeal.

At the UN Security Council meeting which has been set, on Soviet initiative, for 19 July, Moscow can be expected to demand speedy implementation of the paragraph in the resolution adopted last week which calls for the evacuation of Belgian forces from the Congo. This position appears certain to win wide support among independent African states where there is a strong tendency—openly proclaimed in the case of Guinea—to view Belgium's action in the Congo as an attempt by "imperialism" to restore control over a former colony.

| Brussels, meanwhile, has rejected the Soviet note accusing          |
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| Belgium and other western powers of "aggression" against the        |
| new Congo state and is charging Communist bloc agitators with       |
| responsibility for the chaotic situation. The Belgian radio re-     |
| ported on 17 July that a Polish ship was about to deliver "300 tons |
| of armament" to the Congo. However, there is no other informa-      |
| tion available on this alleged shipment.                            |

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### Approved For Release 2002/10/21: CIA-RDP79T00975A005200150001-7 The Italian Political Situation

Negotiations for the formation of a new Italian government were inspired by the widespread anti-Fascist demonstrations in late June and early July. The ruling Christian Democrats feared facing nationwide local elections, now scheduled for 23 October, under the stigma of their present parliamentary alliance with the neo-Fascists.

Although right-wing Christian Democrats have urged that the government should not resign under Communist fire, left-wing Christian Democrats and the parties of the center-left have insisted that a new cabinet which could lead to a government of the center-left is necessary to halt the drift toward polarization of Italian politics.

The conservative Liberals, similarly apprehensive over this trend and anxious to regain the position they lost when they withdrew support of the Segni government last winter, have agreed to join the others in supporting an all - Christian Democratic government disengaged from the neo-Fascists. Some of them have been given pause, however, by the fact that Socialist leader Pietro Nenni has said he would not oppose such a government if it is headed by former Premier Fanfani.

Presumably to avoid isolation, Communist chief Togliatti, whose interests would best be served by continuance of the present unpopular regime, now has gone Nenni one better by offering to support a government which would "respect the constitution."

| While there was some talk of returning former Premier         |
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| Scelba to his old post as interior minister, with either Tam- |
| broni or Segni in the foreign affairs post, Tambroni himself  |
| was making a strong effort to retain the premiership through  |
| attempts to exchange neo-Fascist for monarchist parliamentary |
| support.  |
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#### Arrest of Key Haitian Official Reveals Dissension In Duvalier Regime

The arrest on 15 July of Clement Barbot, secret police chief and presidential secretary, was an attempt to suppress what may be a widespread conspiracy against the Duvalier administration. Only a few hours before his arrest, Barbot told the American ambassador he had been discussing the political situation with key army officers and they agree with his view that President Duvalier's policies are plunging Haiti toward a new period of political chaos and that "the situation cannot continue much longer."

Although Barbot's claim of armed forces support against Duvalier cannot be confirmed, he is known to have been on close personal terms with Army Chief of Staff General Merceron and other key officers, who probably share his concern over recent trends in the Duvaller administration.

Duvalier for the past several months has been increasingly influenced by a clique of bitterly anti-US aides, including at least one probable Communist. This group is apparently at least partially responsible for the bitter attacks Duvalier has recently made on US economic aid to Haiti, which he maintains is both inadequate and granted under conditions inconsistent with Haitian sovereignty. He has promoted public anti-US demonstrations and hinted that Maiti may seek aid from the Soviet bloc. His use of the existing aid programs for political patronage has already crippled the desperately needed projects.

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